

This page is a reference page used to track documents internally for the Division of Oil, Gas and Mining

Mine Permit Number M10010067 Mine Name HIDDEN TREASURE MINE
Operator CS MINING Date SENT DECEMBER 16, 2011
TO _____ FROM _____

☐ CONFIDENTIAL ☐ BOND CLOSURE ☐ LARGE MAPS ☐ EXPANDABLE
☐ MULTIPUL DOCUMENT TRACKING SHEET ☐ NEW APPROVED NOI
☐ AMENDMENT ☒ OTHER TRANSFERED NOI - Returned MARK & CD

Description YEAR-Record Number

☐ NOI ☐ Incoming ☒ Outgoing ☐ Internal ☐ Superceded
NOTICE OF PERMIT TRANSFER AND RELEASE OF RECLAMATION
SURETY 12162011

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded
OLD BONDING DOCUMENTS 12162011

CONFIDENTIAL

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded
* OLD BONDING DOCUMENTS 12162011

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ TEXT/ 8 1/2 X 11 MAP PAGES ☐ 11 X 17 MAPS ☐ LARGE MAP

COMMENTS: _____

CC: _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

 **APPROVED**

---ooOoo---

LARGE MINE RECLAMATION CONTRACT

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between **Western Utah Copper Company** the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. **M/001/067** which has been approved by the Division under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act; and

WHEREAS, Operator is obligated to reclaim the land affected by the mining operations in accordance with the Act and regulations, and the Operator is obligated to provide a surety in form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the mining operations.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Division and the Operator agree as follows:

1. Operator agrees to promptly reclaim in accordance with the Act and regulations, as they may be amended, and in accordance with the mining and reclamation plan (Reclamation Plan) approved by the Division all of the lands affected by the mining operations conducted or to be conducted pursuant to the approved Notice of Intention.
2. The Lands Affected by the mining operations and subject to the requirements of the Act and this Contract include:

☒ APPROVED

- A. All surface and subsurface areas affected or to be affected by the mining operations including but not limited to private on-site ways, roads, railroads; land excavations; drill sites and workings; refuse banks or spoil piles; evaporation or settling ponds; stockpiles; leaching dumps; placer areas; tailings ponds or dumps; work, parking, storage, and waste discharge areas, structures, and facilities; and
 - B. All mining disturbances regardless of discrepancies in the map and legal description, unless explicitly and clearly identified as EXCLUDED on maps, and legal descriptions included in the approved NOI; provided lands may be excluded only if: (1) they were disturbed by mining operations that ceased prior to July 1, 1977; (2) the lands would be included but have been reclaimed in accordance with an approved notice or reclamation plan; or (3) the lands were disturbed by a prior operation for which there is no surety, no legally responsible entity or person, and which lands are not necessarily or incidentally intended to be affected by the mining operations as described in the approved NOI.
- 3. The Reclamation Plan is intended to establish methods, plans, specifications, and other details required by the Act and regulations as they pertain to the lands affected by mining operations, and no provision of the Reclamation Plan shall be interpreted to diminish the requirements of the Act and regulations. The Operator shall be responsible for reclamation of all such Lands Affected regardless of errors or discrepancies in the maps or legal descriptions provided with the NOI or Reclamation Plan, which are primarily intended to assist in determining the location of the mining operations, to describe the areas of disturbance, and to assist estimating the amount of surety required.
- 4. The Operator prior to commencement of any mining operations and as a precondition to the rights under the Notice of Intention shall provide a surety in a form permitted by the Act and in an amount sufficient to assure that reclamation of the Lands Affected will be completed as required by the Act. The Surety shall remain in full force and effect according to its terms unless modified by the Division in writing. A copy of the agreement providing for the Surety for the reclamation obligations herein is included as **ATTACHMENT A** to this Contract.
- 5. If the Surety expressly provides for cancellation or termination for non-renewal:
 - A. The Operator shall within 60 days following the Division's receipt of notice that the Surety will be terminated or cancelled, provide a replacement Surety sufficient in a form and amount, as required by the Act, to replace the cancelled surety; or

☒ APPROVED

B. If the Operator fails to provide an acceptable replacement Surety within 60 days of notice of cancellation or termination, the Division may order the Operator to cease further mining activities, and without further notice proceed to draw upon letters of credit, to withdraw any amounts in certificates of deposit or cash and/or other forms of surety, and to otherwise take such action as may be necessary to secure the rights of the Division to perfect its claim on the existing surety for the purpose of fully satisfying all of the reclamation obligations incurred by the Operator prior to the date of termination, and the Division may thereafter require the Operator to begin immediate reclamation of the Lands Affected by the mining operations, and may, if necessary, proceed to take such further actions as may be required for the Division to forfeit the surety for the purpose of reclaiming the Lands Affected.

6. The Operator's liability under this Contract shall continue in full force and effect until the Division finds that the Operator has reclaimed the Lands Affected by mining operations in accordance with the Act, the regulations, and the Reclamation Plan, as they may be amended. If the mining operations are modified or for any other reason vary from those described in the approved Notice of Intention, the Operator shall immediately advise the Division, and the Notice of Intention shall be revised and the Surety amount shall be adjusted as necessary.
7. If reclamation of a substantial phase or segment of the Lands Affected by the mining operations is completed to the satisfaction of the Division, and the Division finds that such substantial phases or segments are severable from the remainder of the mining area, Operator may request the Division to find that Operator has reclaimed such area. If the Division makes such finding, Operator may make request to the Division for a reduction in the aggregate face amount of the Surety, and the Division may reduce the surety to an amount necessary to complete reclamation of the remaining mining operations as anticipated by the approved Notice of Intention in accordance with the requirements of the Act and regulations, as amended and the Reclamation Plan, as amended. If the Division makes such finding, Operator may make request to the Division for a reduction in the amount of the surety. The Division, or the Board if the surety is in the form of a board contract, may permit such a reduction if it determines that the reduced amount will be adequate to ensure complete reclamation of the lands affected by the mining in accordance with the requirements of the Reclamation Plan, the rules and the Act, as amended.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the rules.
9. Operator agrees to pay all legally determined public liability and property damage claims resulting from mining operations, to pay all permit fees, to

maintain suitable records, to file all required reports, to permit reasonable inspections, and to fulfill all sundry reporting requirements applicable to the mine as required by the Act and implementing rules.

10. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
11. If Operator shall default in the performance of its obligations hereunder, Operator shall be liable for all damages resulting from the breach hereof including all costs, expenses, and reasonable attorney's fees incurred by the Division and/or the Board in the enforcement of this Contract.
- ☒ **APPROVED** 12. Any breach of a material provision of this Contract by Operator may, at the discretion of the Division, in addition to other remedies available to it, result in an order by the Division requiring the Operator to cease mining operations, and may thereafter result in an Order, subject to an opportunity for notice and hearing before the Board, withdrawing and revoking the Notice of Intention, and requiring immediate reclamation by the Operator of the Lands Affected or forfeiture of the Surety.
13. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount that is required to comply with this Contract. Upon completion of the reclamation of all of the Lands Affected, any excess monies resulting from forfeiture of the Surety shall be returned to the rightful claimant.
14. The Operator shall notify the Division immediately of any changes in the Operator's registered agent, the Operator's address, form of business, name of business, significant changes in ownership, and other pertinent changes in the information required as part of the Notice of Intention. Notwithstanding this requirement, any changes to the Notice of Intention, and any errors, omissions, or failures to fully or accurately complete or update the information on the Notice of Intention, or the attached maps, shall not affect the validity of this Contract and the rights of the Division to enforce its terms.
15. If requested by the Division, the Operator shall execute addendums to this Contract to add or substitute parties, or to reflect changes in the Operator, Surety, and otherwise modify the Contract to reflect changes in the mining operations as requested by the Division. All modifications must be in writing and signed by the parties, and no verbal agreements, or modifications in any of the terms or conditions shall be enforceable.
16. This Contract shall be governed and construed in accordance with the laws of the State of Utah.

Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party, and that the Operator, if not a natural person, is an entity properly organized and in good standing under the laws of the United States and is registered with and authorized to do business in the State of Utah.

OPERATOR:

Western Utah Copper

Operator Name

By Mark D Dotson

Authorized Officer (Typed or Printed)

President & CEO

Authorized Officer - Position

Mark D Dotson Pres-CEO

Officer's Signature

Date

6-8-07

STATE OF Utah)

COUNTY OF Beaver)

ss:

On the 8th day of June, 20 07, Mark D. Dotson
personally appeared before me, who being by me duly sworn did say that
he/she is an President & C.E.O. (i.e. owner, officer, director,
partner, agent or other (specify)) of the Operator and duly acknowledged that
said instrument was signed on behalf of said Operator by authority of its bylaws,
a resolution of its board of directors, or as may otherwise be required to execute
the same with full authority and to be bound hereby.

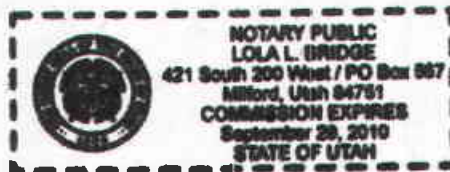
Lola L. Bridge

Notary Public

Residing at Milford, Utah

My Commission Expires: September 20, 2010

☒ APPROVED



DIVISION OF OIL, GAS AND MINING:

By *John R. Baza* 6/08/07
for John R. Baza, Director Date

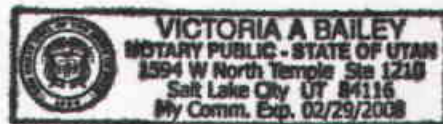
STATE OF Utah)
COUNTY OF Salt Lake) ss:

On the 8th day of June, 2007, MARY Ann Wright
personally appeared before me, who being duly sworn did say that ~~he~~ ^{she}
the said MARY Ann Wright is the Director of the Division of
Oil, Gas and Mining, Department of Natural Resources, State of Utah, and ~~he~~ ^{she}
duly acknowledged to me that ~~he~~ ^{she} executed the foregoing document by authority
of law on behalf of the State of Utah.

Victoria A. Bailey
Notary Public

Residing at: SALT Lake City, Utah

February 29, 2008
My Commission Expires:



FACT SHEET

Commodity: Copper

Mine Name: WUCC/COPPER *Mine*

Permit #: M/001/067 ~~M/001~~ M0010067

Surface Owner: FEE/BLM/SITLA

County: Beaver

Operator Name: Western Utah Copper Company

Operator Address: 1208 S 200 W PO BOX 492 MILFORD UT 84751

Operator Phone: (435) 387-5053/C-691-3858

Operator Fax: (435) 387-5088

Operator Email: wucc@scinternet.net

Contact Name: Mark Dotson

Required Bond Amount: \$1,408,000

Escalation Year: 2012

Surety Type: Surety Bond

Bank: Insurance Company of The West

Surety Amount: \$1,500,000

Account number: _____

Contact: Kim Cooksey

Contact Phone: 801-924-1400

Surety Type: CD

Bank: Mtn America Credit Union

Surety Amount: 100,000

Account Number: _____

Contact: Jared Johnstone

Phone: 801-325-6477

Tax ID (required for cash only): _____

Escalation year: _____



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

July 19, 2005

Mountain America Credit Union
410 North Main Street
Cedar City, Utah 84720
(435) 586-0143

RECEIVED

JUL 29 2005

DIV OF OIL GAS & MINING

Attention: Winston Young, Account Representative

Subject: Reclamation Surety, Certificate of Deposit for Western Utah Copper Company's
WUCC-Palladon Copper Mine Site, S/001/067, Beaver County, Utah

Certificate of Deposit no. _____ Principal Amount \$30,000.

This letter describes the mutually agreed upon instructions of the below signed parties to Mountain America Credit Union ("Bank"), regarding the control, redemption, and release of Bank's above-described certificate of deposit ("CD"), which is being used as a surety to guarantee the availability of reclamation funds for the WUCC-Palladon Copper mine site ("Mine Site"), Beaver County, Utah. It is the intention of the parties that the CD be utilized as surety to guarantee that \$30,000 in reclamation funds will be available to the State of Utah, Division of Oil, Gas & Mining ("Division") upon demand in the event that the operator(s) of the Mine Site are unable or unwilling to complete reclamation of the mine site in compliance with applicable state law and regulations.

Ownership and Renewal:

Ownership of the CD is retained by Western Utah Copper Company, a Utah corporation, ("Owners"), but it is held by Bank for the benefit of the State of Utah, Division of Oil, Gas & Mining and is subject to the terms and conditions described in this agreement. The CD shall automatically renew indefinitely until either redeemed or released by the Director of the Division.

Redemption:

The CD may only be redeemed (i.e., called on demand), pursuant to the written instruction or demand of the Director of the Utah Division of Oil, Gas & Mining to the Bank. Upon the instruction and demand of the Director, the full initial amount of the CD shall be transferred to the State of Utah, Division of Oil Gas

and Mining. Owners agree and irrevocably instruct Bank that neither the Owner(s), nor any other person claiming an ownership interest in the CD which is derived from the Owners, shall have the authority to prevent the Bank from carrying out the Director's instruction to redeem the CD. Upon redemption, any accrued interest in excess of the initial amount of the CD shall be transferred to Owners control, or if Owners do not instruct the Bank, the accrued interest shall be reinvested in the CD. If a signature card is prepared, it shall be drafted consistent with the requirement that only the Director of the Division may redeem the CD.

Release:

The bank shall release the CD only upon the written instruction of the Director of the Division to the Bank. Upon release, the terms and conditions of this agreement are no longer in effect, and the unconditioned control of the CD shall be returned to the Owners, or their legal successors-in-interest.

Accrued Interest:

Prior to release or redemption, all interest which accrues by the CD shall be 1) dispersed quarterly to the Owner(s) as the Owner(s) may instruct the Bank, or 2) shall be reinvested in the CD until such time the Owner(s) may instruct the Bank where to transfer such interest. In no event shall the Bank transfer any amount from the CD which would cause the redemption amount of the CD to be less than the initial amount, \$30,000. All tax liabilities for accrued interest shall remain the responsibility of the Owners.

Bank will not be held liable for any dispute between the parties.

Agreed Upon By:




John R. Baza, Director
Utah Division of Oil, Gas & Mining

Date: 8/24/05



Mark Dotson, President
Western Utah Copper Corporation
Tax ID Number: 87-0686932

Date: 7-26-05



Winston Young, Account Representative
Mountain America Credit Union

Date: 7-26-05

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Fixed Rate Term Deposit Agreement



RECEIVED

JUL 29 2005

DIV OF OIL GAS & MINING

Western Utah Copper Company
PO BOX 492
1208 S 200 W
Milford UT, 84751

Account : ID#: 32 Interest Rate: 03.450 % Annual Percentage Yield: 03.510 %
Maturity Date: 07/18/2006 Term: 012 months.

You will be paid the disclosed rate until first maturity date, at which time you will be offered the same rate as the credit union is offering on deposits with the same terms as the RENEWAL TERM.

Compounding frequency - Interest will be credited to your account every month. Alternatively, you may choose to have interest paid to you or to another account every month rather than credited to this account.

Effect of closing an account - If you close your account before interest is paid, you will not receive the accrued interest.

Minimum balance requirements:

- The minimum balance required to open this account is **\$1,000.00**.
- You must maintain a minimum daily balance of **\$1,000.00** in your account each day to obtain the disclosed annual percentage yield.

Daily balance computation method. Interest is calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

Accrual of interest on non-cash deposits - Interest will begin to accrue on the business day you deposit non-cash items (for example, checks) to your account.

Transaction limitations - After the account is opened, you may not make deposits into the account until the maturity date stated on the account. You may not make withdrawals of principal from your account before maturity. Withdrawal of dividends may be made from your account before maturity.

Early withdrawal penalties - A penalty may be imposed for withdrawals before maturity.

- If your account has an original maturity of **one year** or less the penalty may equal **30 days** interest on the amount withdrawn subject to penalty.
- If your account has an original maturity of **more than one year** the penalty may equal **90 days** interest on the amount withdrawn subject to penalty.

There are certain circumstances, such as the death or incompetence of a member, where the credit union may waive or reduce the penalty. See your plan disclosure if this account is part of an IRA or other tax qualified plan. For any account which earns an interest rate that may vary from time to time during the term, the interest rate used to calculate the early withdrawal penalty will be the interest rate in effect at the time of the withdrawal.

Withdrawal of interest prior to maturity - The annual percentage yield is based on the assumption that interest will remain in the account until maturity. A withdrawal will reduce earnings.

Automatically renewable account - This account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within the grace period mentioned below, if any) or the credit union receives written notice from you within the grace period mentioned below. The credit union can prevent renewal if notice is mailed to you at least **30 calendar** days before maturity. If either you or the credit union prevent renewal, interest will not accrue after final maturity.

You will have a grace period of ten calendar days after maturity to withdraw the funds without being charged any early withdrawal penalty.

7181 S. Campus View Drive
West Jordan UT 84084
800-748-4302





MOUNTAIN AMERICA
CREDIT UNION

7181 South Campus View Drive • West Jordan, Utah 84084 • Toll Free 1.800.748.4302

MA/001/067

July 7, 2005

RECEIVED
JUL 08 2005
DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 WEST NORTH TEMPLE STE 1210
PO BOX 145801
SALT LAKE CITY UT 84114-5801

Attn: Beth Ericksen

This letter acknowledges the receipt of a Reclamation Surety by Mountain America Credit Union from the Division of Oil, Gas and Mining. The credit union agrees to the terms of the instructions and will place an administrative hold (restriction) on the account and amount outlined below until such time as redemption or release authorization is provided by the Division in accordance with the instructions.

Mine Site:	S/001/067
Account Name:	Western Utah Copper Company
Account Number:	
Instrument Number:	Term Deposit 31
Principal Amount:	\$60,000
Original Acknowledgement:	07/05/05

Sincerely,

Michael Pestotnik
Business Relationship Specialist



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

Mountain America Credit Union
410 North Main Street
Cedar City, Utah 84720
435-586-0143

RECEIVED

JUL 01 2005

DIV OF OIL GAS & MINING

Attention: Mr. Winston Young, Account Representative

Subject: Reclamation Surety, Certificate of Deposit for Western Utah Copper Company's, WUCC-Palladon Copper Mine Site, S/001/067, Beaver County, Utah

Certificate of Deposit no.:

‡ Principal Amount \$60,000.

This letter describes the mutually agreed upon instructions of the below signed parties to Mountain America Credit Union, regarding the control, redemption, and release of Bank's above-described certificate of deposit ("CD"), which is being used as a surety to guarantee the availability of reclamation funds for WUCC-Palladon Copper Mine Site, Beaver County, Utah. It is the intention of the parties that the CD be utilized as surety to guarantee that \$60,000 in reclamation funds will be available to the State of Utah, Division of Oil, Gas & Mining ("Division") upon demand in the event that the operator(s) of the WUCC-Palladon Copper Mine Site are unable or unwilling to complete reclamation of the mine site in compliance with applicable state law and regulations.

Ownership and Renewal:

Ownership of the CD is retained by Western Utah Copper Company., a Utah corporation, but it is held by Bank for the benefit of the State of Utah, Division of Oil, Gas & Mining and is subject to the terms and conditions described in this agreement. The CD shall automatically renew indefinitely until either redeemed or released by the Director of the Division.

Redemption:

The CD may only be redeemed (i.e., called on demand), pursuant to the written instruction or demand of the Director of the Utah Division of Oil, Gas & Mining to the Bank. Upon the instruction and demand of the Director, the full initial amount of the CD shall be transferred to the State of Utah, Division of Oil Gas and Mining. Owners agree and irrevocably instruct Bank that neither the Owner(s), nor any other person claiming an ownership interest in the CD which is derived from the Owners, shall have the authority to

prevent the Bank from carrying out the Director's instruction to redeem the CD. Upon redemption, any accrued interest in excess of the initial amount of the CD shall be transferred to Owner's control, or if Owners do not instruct the Bank, the accrued interest shall be reinvested in the CD. If a signature card is prepared, it shall be drafted consistent with the requirement that only the Director of the Division may redeem the CD.

Release:

The bank shall release the CD only upon the written instruction of the Director of the Division to the Bank. Upon release, the terms and conditions of this agreement are no longer in effect, and the unconditioned control of the CD shall be returned to the Owners, or their legal successors-in-interest.

Accrued Interest:

Prior to release or redemption, all interest which accrues by the CD shall be 1) dispersed quarterly to the Owner(s) as the Owner(s) may instruct the Bank, or 2) shall be reinvested in the CD until such time the Owner(s) may instruct the Bank where to transfer such interest. In no event shall the Bank transfer any amount from the CD which would cause the redemption amount of the CD to be less than the initial amount, \$60,000. All tax liabilities for accrued interest shall remain the responsibility of the Owners.

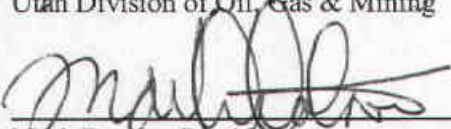
Bank will not be held liable for any dispute between the parties.

Agreed Upon By:



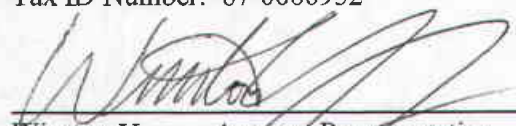
John R. Baza, Director
Utah Division of Oil, Gas & Mining

Date: 7/13/05



Mark Dotson, President
Western Utah Copper Corporation
Tax ID Number: 87-0686932

Date: 6-27-05



Winston Young, Account Representative
Mountain America Credit Union

Date: 6-30-05

Fixed Rate Term Deposit Agreement



Western Utah Copper Company
PO BOX 492
1208 S 200 W
Milford UT, 84751

Account #:

ID#: 31 Interest Rate: 03.300 % Annual Percentage Yield: 03.350 %
Maturity Date: 06/27/2006 Term: 012 months.

You will be paid the disclosed rate until first maturity date, at which time you will be offered the same rate as the credit union is offering on deposits with the same terms as the RENEWAL TERM.

Compounding frequency - Interest will be credited to your account every month. Alternatively, you may choose to have interest paid to you or to another account every month rather than credited to this account.

Effect of closing an account - If you close your account before interest is paid, you will not receive the accrued interest.

Minimum balance requirements:

- The minimum balance required to open this account is \$1,000.00.
- You must maintain a minimum daily balance of \$1,000.00 in your account each day to obtain the disclosed annual percentage yield.

Daily balance computation method. Interest is calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

Accrual of interest on non-cash deposits - Interest will begin to accrue on the business day you deposit non-cash items (for example, checks) to your account.

Transaction limitations - After the account is opened, you may not make deposits into the account until the maturity date stated on the account. You may not make withdrawals of principal from your account before maturity. Withdrawal of dividends may be made from your account before maturity.

Early withdrawal penalties - A penalty may be imposed for withdrawals before maturity.

- If your account has an original maturity of one year or less the penalty may equal 30 days interest on the amount withdrawn subject to penalty.
- If your account has an original maturity of more than one year the penalty may equal 90 days interest on the amount withdrawn subject to penalty.

There are certain circumstances, such as the death or incompetence of a member, where the credit union may waive or reduce the penalty. See your plan disclosure if this account is part of an IRA or other tax qualified plan. For any account which earns an interest rate that may vary from time to time during the term, the interest rate used to calculate the early withdrawal penalty will be the interest rate in effect at the time of the withdrawal.

Withdrawal of interest prior to maturity - The annual percentage yield is based on the assumption that interest will remain in the account until maturity. A withdrawal will reduce earnings.

Automatically renewable account - This account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within the grace period mentioned below, if any) or the credit union receives written notice from you within the grace period mentioned below. The credit union can prevent renewal if notice is mailed to you at least 30 calendar days before maturity. If either you or the credit union prevent renewal, interest will not accrue after final maturity.

You will have a grace period of ten calendar days after maturity to withdraw the funds without being charged any early withdrawal penalty.

7181 S. Campus View Drive
West Jordan UT 84084
800-748-4302



RECEIVED

JUN 27 2005

DIV. OF OIL, GAS & MINING

WUCC

Acct *****1172

WESTERN UTAH COP

Eff: 06/27/05

Post: 06/27/05

Tr: 0795

Time: 1:36pm

Deposit to 12 MO TD FBO STATE OF UT DOGM 3

New Balance:

60,000.00

Trans Amount:

60,000.00

Sequence:

#826786

Check Received

Amount:

60,000.00

RECEIVED
JUN 27 2005
DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.
Governor
GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

MARY ANN WRIGHT
Acting Division Director

March 24, 2005

Mountain America Credit Union
410 North Main Street
Cedar City, Utah 84720
(435) 586-0143

RECEIVED

APR 20 2005

DIV OF OIL GAS & MINING

Attention: Winston Young, Account Representative

Subject: Reclamation Surety, Certificate of Deposit for Western Utah Copper Company's
WUCC-Palladon Copper Mine Site, S/001/067, Beaver County, Utah

Certificate of Deposit no.

Principal Amount \$10,000.

This letter describes the mutually agreed upon instructions of the below signed parties to Mountain America Credit Union ("Bank"), regarding the control, redemption, and release of Bank's above-described certificate of deposit ("CD"), which is being used as a surety to guarantee the availability of reclamation funds for the WUCC-Palladon Copper mine site ("Mine Site"), Beaver County, Utah. It is the intention of the parties that the CD be utilized as surety to guarantee that \$10,000 in reclamation funds will be available to the State of Utah, Division of Oil, Gas & Mining ("Division") upon demand in the event that the operator(s) of the Mine Site are unable or unwilling to complete reclamation of the mine site in compliance with applicable state law and regulations.

Ownership and Renewal:

Ownership of the CD is retained by Western Utah Copper Company, a Utah corporation, ("Owners"), but it is held by Bank for the benefit of the State of Utah, Division of Oil, Gas & Mining and is subject to the terms and conditions described in this agreement. The CD shall automatically renew indefinitely until either redeemed or released by the Director of the Division.

Redemption:

The CD may only be redeemed (i.e., called on demand), pursuant to the written instruction or demand of the Director of the Utah Division of Oil, Gas & Mining to the Bank. Upon the instruction and demand of the Director, the full initial amount of the CD shall be transferred to the State of Utah, Division of Oil Gas

Redemption:

The CD may only be redeemed (i.e., called on demand), pursuant to the written instruction or demand of both the Director of the Utah Division of Oil, Gas & Mining and the authorized officer of USDOIBLM to the Bank. Upon the instruction and demand of the Director and authorized officer of USDOIBLM, the full initial amount of the CD shall be transferred to the State of Utah, Division of Oil, Gas and Mining. Owners agree and irrevocably instruct Bank that neither the Owner(s), nor any other person claiming an ownership interest in the CD which is derived from the Owners, shall have the authority to prevent the Bank from carrying out the Director's instruction to redeem the CD. Upon redemption, any accrued interest in excess of the initial amount of the CD shall be transferred to Owners' control, or if Owners do not instruct the Bank, the accrued interest shall be reinvested in the CD. If a signature card is prepared, it shall be drafted consistent with the requirement that only the Director of the Division and the authorized officer of USDOIBLM may redeem the CD.

Release:

The bank shall release the CD only upon the written instruction of both the Director of the Division and the authorized officer of USDOIBLM to the Bank. Upon release, the terms and conditions of this agreement are no longer in effect, and the unconditioned control of the CD shall be returned to the Owners, or their legal successors-in-interest.

Accrued Interest:

Prior to release or redemption, all interest which accrues by the CD shall be 1) dispersed quarterly to the Owner(s) as the Owner(s) may instruct the Bank, or 2) shall be reinvested in the CD until such time the Owner(s) may instruct the Bank where to transfer such interest. In no event shall the Bank transfer any amount from the CD which would cause the redemption amount of the CD to be less than the initial amount, \$14,000. All tax liabilities for accrued interest shall remain the sole responsibility of the Owners.

Bank will not be held liable for any dispute between the parties.

and Mining. Owners agree and irrevocably instruct Bank that neither the Owner(s), nor any other person claiming an ownership interest in the CD which is derived from the Owners, shall have the authority to prevent the Bank from carrying out the Director's instruction to redeem the CD. Upon redemption, any accrued interest in excess of the initial amount of the CD shall be transferred to Owners' control, or if Owners do not instruct the Bank, the accrued interest shall be reinvested in the CD. If a signature card is prepared, it shall be drafted consistent with the requirement that only the Director of the Division may redeem the CD.

Release:

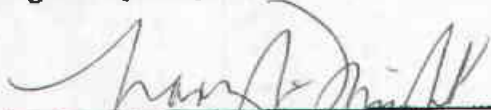
The bank shall release the CD only upon the written instruction of the Director of the Division to the Bank. Upon release, the terms and conditions of this agreement are no longer in effect, and the unconditioned control of the CD shall be returned to the Owners, or their legal successors-in-interest.

Accrued Interest:

Prior to release or redemption, all interest which accrues by the CD shall be 1) dispersed quarterly to the Owner(s) as the Owner(s) may instruct the Bank, or 2) shall be reinvested in the CD until such time the Owner(s) may instruct the Bank where to transfer such interest. In no event shall the Bank transfer any amount from the CD which would cause the redemption amount of the CD to be less than the initial amount, \$10,000. All tax liabilities for accrued interest shall remain the responsibility of the Owners.

Bank will not be held liable for any dispute between the parties.

Agreed Upon By:




Mary Ann Wright, Acting Director
Utah Division of Oil, Gas & Mining

Date: 5/05/05



Mark Dotson, President
Western Utah Copper Corporation
Tax ID Number: 87-0686932

Date: 4-20-05



Winston Young, Account Representative
Mountain America Credit Union

Date: 4-20-05

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April 27, 2005

RECEIVED
MAY 02 2005
DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 WEST NORTH TEMPLE STE 1210
PO BOX 145801
SALT LAKE CITY UT 84114-5801

Attn: Beth Ericksen

This letter acknowledges the receipt of a Reclamation Surety by Mountain America Credit Union from the Division of Oil, Gas and Mining. The credit union agrees to the terms of the instructions and will place an administrative hold (restriction) on the account and amount outlined below until such time as redemption or release authorization is provided by the Division in accordance with the instructions.

Mine Site:	S/001/067
Account Name:	Western Utah Copper Company
Account Number:	
Instrument Number:	Term Deposit 30
Principal Amount:	\$10,000.00
Original Acknowledgement:	04/20/05

Sincerely,

A handwritten signature in black ink, appearing to read "Jared Johnstone".

Jared Johnstone
AVP Deposit Operations

03/18/2005 1:46p User 722

For the benefit of the State of Utah,
DOGM, for WUCC-Palladon Copper Mine
S/001/067

A handwritten signature in black ink, appearing to be 'W. R. D. J.', is written over the Mountain America Credit Union logo.

**MOUNTAIN AMERICA
CREDIT UNION**

Fixed Rate Term Deposit Agreement



Western Utah Copper Company
PO BOX 492
1208 S 200 W
Milford UT, 84751

Account #: ID#: 30 Interest Rate: 02.720 % Annual Percentage Yield: 02.750 %
Maturity Date: 03/18/2006 Term: 012 months.

You will be paid the disclosed rate until first maturity date, at which time you will be offered the same rate as the credit union is offering on deposits with the same terms as the RENEWAL TERM.

Compounding frequency - Interest will be credited to your account every month. Alternatively, you may choose to have interest paid to you or to another account every month rather than credited to this account.

Effect of closing an account - If you close your account before interest is paid, you will not receive the accrued interest.

Minimum balance requirements:

- The minimum balance required to open this account is **\$1,000.00**.
- You must maintain a minimum daily balance of **\$1,000.00** in your account each day to obtain the disclosed annual percentage yield.

Daily balance computation method. Interest is calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

Accrual of interest on non-cash deposits - Interest will begin to accrue on the business day you deposit non-cash items (for example, checks) to your account.

Transaction limitations - After the account is opened, you may not make deposits into the account until the maturity date stated on the account. You may not make withdrawals of principal from your account before maturity. Withdrawal of dividends may be made from your account before maturity.

Early withdrawal penalties - A penalty may be imposed for withdrawals before maturity.

- If your account has an original maturity of **one year** or less the penalty may equal **30 days** interest on the amount withdrawn subject to penalty.
- If your account has an original maturity of **more than one year** the penalty may equal **90 days** interest on the amount withdrawn subject to penalty.

There are certain circumstances, such as the death or incompetence of a member, where the credit union may waive or reduce the penalty. See your plan disclosure if this account is part of an IRA or other tax qualified plan. For any account which earns an interest rate that may vary from time to time during the term, the interest rate used to calculate the early withdrawal penalty will be the interest rate in effect at the time of the withdrawal.

Withdrawal of interest prior to maturity - The annual percentage yield is based on the assumption that interest will remain in the account until maturity. A withdrawal will reduce earnings.

Automatically renewable account - This account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within the grace period mentioned below, if any) or the credit union receives written notice from you within the grace period mentioned below. The credit union can prevent renewal if notice is mailed to you at least **30 calendar** days before maturity. If either you or the credit union prevent renewal, interest will not accrue after final maturity.

You will have a grace period of ten calendar days after maturity to withdraw the funds without being charged any early withdrawal penalty.

7181 S. Campus View Drive
West Jordan UT 84084
800-748-4302





JON M. HUNTSMAN, JR.
Governor
GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

Addendum to Reclamation Contract

Western Utah Copper Company, WUCC-Palladon Copper, S/001/067

September 28, 2005

Mark D. Dotson
Western Utah Copper Company
P.O. Box 492
Milford, Utah 84751

The disturbed acreage on your Reclamation Contract has increased from two (2) acres to five (5) acres as a result of the transfer of Nevada Star Corporation, OK Copper Mine (S/001/039) to Western Utah Copper Company. Since your application for large mine status has not received final approval, WUCC-Palladon Copper is to operate within a five (5) acre area as identified on Map titled: Mine Number M010067, Mine Name: WUCC-Palladon Copper. The reclamation contract and surety will be referenced as S/001/067 while the large mine application is pending. This letter serves as an acknowledgment and acceptance of the following:

- Permit number S/001/067 will identify the disturbance of 5 acres until the large mine application has received final approval.
- Two maps, titled: Mine Number S010039, OK Copper and Mine Number M010067, WUCC-Palladon Copper
- Attachment A of the Reclamation Contract will include the above mentioned maps and acreage
- Attachment A of the Reclamation Contract legal description will change to:

Portions of: Section 7, Township 27 South, Range 11 West including 0.14 acres of road disturbance.

Nothing herein contained shall vary, alter, or extend any provision or condition of the Reclamation Contract. To the extent any conflict exists between this letter addendum and the Reclamation Contract, these terms shall control.

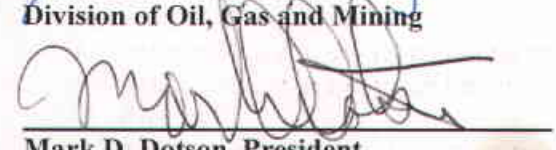
Please acknowledge and return this letter with original signature to the Division.

The below signed, acknowledges and accepts these revisions and incorporates them into the May 5, 2005 Reclamation Contract.

ACCEPTED BY:


John R. Baza, Director
Division of Oil, Gas and Mining

10/14/05
Date


Mark D. Dotson, President
Western Utah Copper Company

10-1-05
Date

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1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

RECEIVED

Utah!
Where ideas connect™

OCT 05 2005

DIV. OF OIL, GAS & MINING

Mine Number: M010067

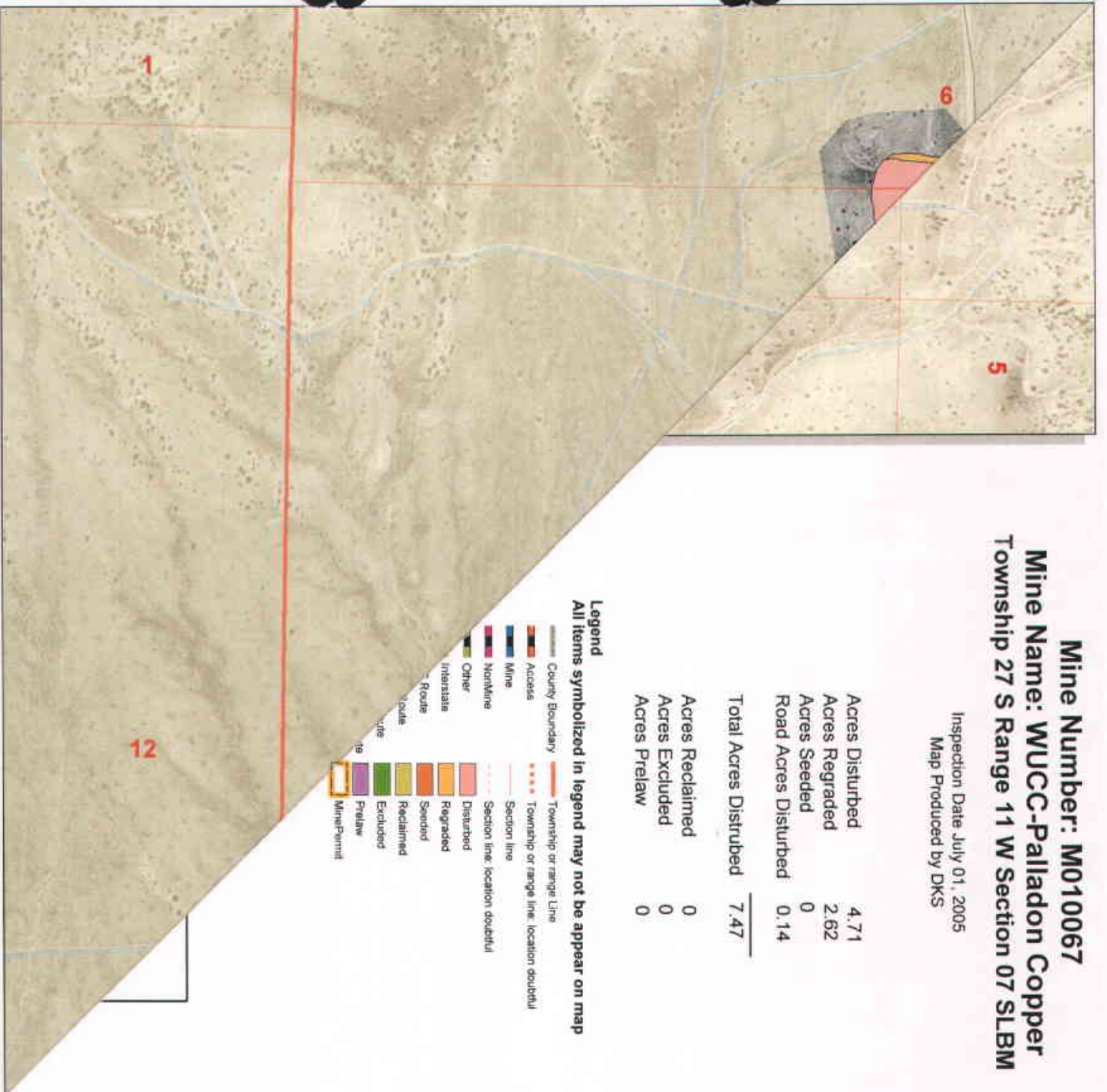
Mine Name: WUCC-Palladon Copper
Township 27 S Range 11 W Section 07 SLBM

Inspection Date July 01, 2005
Map Produced by DKS

Acres Disturbed	4.71
Acres Regraded	2.62
Acres Seeded	0
Road Acres Disturbed	0.14
Total Acres Disturbed	7.47
Acres Reclaimed	0
Acres Excluded	0
Acres Prelaw	0

Legend
All items symbolized in legend may not be appear on map

County Boundary	Township or range Line
Access	Township or range line, location doubtful
Mine	Section line
NonMine	Section line, location doubtful
Other	Disturbed
Interstate	Regraded
Route	Seeded
Route	Reclaimed
Route	Excluded
Route	Prelaw
Route	MinePrelaw





State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 19, 2005

RECEIVED
SEP 06 2005
DIV. OF OIL, GAS & MINING

Mark D. Dotson
Western Utah Copper Company
1208 South 200 West
P.O. Box 492
Milford, Utah 84751

Subject: Acceptance of Surety, Western Utah Copper Company, WUCC-Palladon Copper Mine, S/001/067, Beaver County, Utah

Dear Mr. Dotson:

On July 29, 2005, we received a Certificate of Deposit in the amount of \$30,000 issued by Mountain America Credit Union, account number: [redacted], thus increasing the surety in United States Dollars to a cumulative total of \$100,000.

This certificate of deposit, [redacted] is in addition to the following certificate of deposits issued by Mountain America Credit Union:

- \$10,000 issued on April 20, 2005 account number: [redacted]
- \$60,000 issued on July 8, 2005 account number: [redacted]

This letter serves as acknowledgment and acceptance of the certificate of deposit, for \$30,000 and is hereby incorporated as part of the State of Utah Division of Oil, Gas, and Mining Reclamation Contract executed on May 5, 2005. To the extent the form and surety amount of this letter conflict with any form and surety amount of the Reclamation Contract, these terms shall control. All other terms of the Reclamation Contract not modified by this letter will remain the same.

Please acknowledge and return this letter with original signatures to the Division in the enclosed envelope.

Sincerely,

John R. Baza
Director

Division of Oil, Gas, and Mining

Western Utah Copper Company acknowledges and accepts this surety change and incorporates it into the May 5, 2005 Reclamation Contract.

ACCEPTED BY:

Mark D. Dotson
Authorized Officer (Typed or Printed)

[Signature]
Officer Signature

President
Position
8-30-05
Date

Utah!
Where ideas connect™



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

RECEIVED

JUL 22 2005

DIV. OF OIL, GAS & MINING

July 12, 2005

Mark D. Dotson
Western Utah Copper Company
1208 South 200 West
P.O. Box 492
Milford, Utah 84751

Subject: Acceptance of Surety, Western Utah Copper Company, WUCC-Paliadon Copper Mine S/001/067, Beaver County, Utah

Dear Mr. Dotson:

On July 8, 2005, we received a Certificate of Deposit in the amount of \$60,000 issued by Mountain America Credit Union, account number: [REDACTED], thus increasing the United States Dollar amount to a cumulative total of \$70,000. This certificate of deposit, [REDACTED], is in addition to a certificate of deposit in the amount of \$10,000 issued on April 20, 2005 by Mountain America Credit Union, account number: [REDACTED].

This letter serves as acknowledgment and acceptance of the certificate of deposit, [REDACTED] and is hereby incorporated as part of the State of Utah Division of Oil, Gas, and Mining Reclamation Contract executed on May 5, 2005. To the extent the form and surety amount of this letter conflict with any form and surety amount of the Reclamation Contract, these terms shall control. All other terms of the Reclamation Contract not modified by this letter will remain the same.

Please acknowledge and return this letter with original signatures to the Division in the enclosed envelope.

Sincerely,

John R. Baza
Director

Division of Oil, Gas, and Mining

Western Utah Copper Company acknowledges and accepts this surety change and incorporates it into the May 5, 2005 Reclamation Contract.

ACCEPTED BY:

Mark Dotson

Authorized Officer (Typed or Printed)

Officer Signature

President

Position

7-19-05

Date

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

RECEIVED

MAR 30 2005

DIV. OF OIL, GAS & MINING

RECLAMATION CONTRACT

---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.) (Mineral Mined)	<u>S/001/067</u> <u>Copper</u>
"MINE LOCATION": (Name of Mine) (Description)	<u>WUCC-Palladon Copper</u> <u>From Milford, Utah, go WNW 3.5 miles,</u> <u>turn right and go North 1 mile, turn left</u> <u>and go 6 miles to site.</u>
"DISTURBED AREA": (Disturbed Acres) (Legal Description)	<u>Two (2)</u> <u>(Refer to Attachment A)</u>
"OPERATOR": (Company or Name) (Address) (Phone)	<u>Western Utah Copper Company</u> <u>1208 South 200 West</u> <u>P.O. Box 492</u> <u>Milford, Utah 84751</u> <u>(435) 387-5053 fax: (435) 387-5088</u>

"OPERATOR'S REGISTERED AGENT":

Name)
(Address)

William B. Wray
P.O. Box 958
501 West Center
Milford, Utah 84751
(435) 387-5657

(Phone)

"OPERATOR'S OFFICER(S)" & TITLE:

Mark D. Dotson, President

SURETY":

(Form of Surety - Attachment B)

Certificate of Deposit

"SURETY COMPANY":

(Name, Policy or Acct. No.)

Mountain America Credit Union

"SURETY AMOUNT":

(Escalated Dollars)

\$10,000

"ESCALATION YEAR":

2006

"STATE":

State of Utah

"DIVISION":

Division of Oil, Gas and Mining

"BOARD":

Board of Oil, Gas and Mining

ATTACHMENTS:

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Western Utah Copper Company the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. S/001/067 which has been approved/accepted by the Utah State Division of Oil, Gas and Mining under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved/accepted Reclamation Plan or Notice, and Operator is obligated to provide surety in form and amount approved by the Division, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the approved/accepted Reclamation Plan and/or Notice of Intention by the Division on March 9, 2005. The Reclamation Plan and/or Notice of Intention, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Division. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Division in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Division. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the Division that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the

remaining reclamation. The Division shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

OPERATOR:

Western Utah Copper Company
Operator Name

By Mark Dotson
Authorized Officer (Typed or Printed)

President
Authorized Officer - Position

Mark Dotson
Officer's Signature

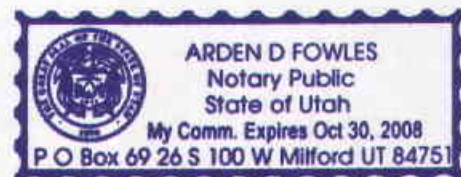
3-25-05
Date

STATE OF UTAH)
COUNTY OF BEAVER) ss:

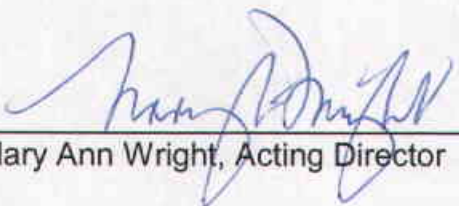
On the 25th day of MARCH, 2005, Mark Dotson personally appeared before me, who being by me duly sworn did say that he/she is the President of Western Utah Copper Company and duly acknowledged that said instrument was signed on behalf of said company by authority of its bylaws or a resolution of its board of directors and said Mark Dotson duly acknowledged to me that said company executed the same.

Arden D. Fowles
Notary Public
Residing at MILFORD, UTAH

10/30/2008
My Commission Expires:



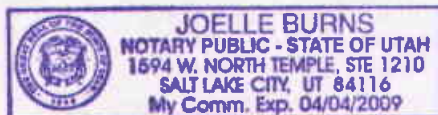
DIVISION OF OIL, GAS AND MINING:

By 
Mary Ann Wright, Acting Director

Date 5/05/05

STATE OF Utah)
COUNTY OF Salt Lake) ss:

On the 5th day of May, 2005, Mary Ann Wright
personally appeared before me, who being duly sworn did say that she, the said
Mary Ann Wright is the Acting Director of the Division of Oil, Gas and
Mining, Department of Natural Resources, State of Utah, and she duly acknowledged to
me that she executed the foregoing document by authority of law on behalf of the State
of Utah.



Joelle Burns
Notary Public
Residing at: S.L.C. Utah

April 4, 2009
My Commission Expires:

ATTACHMENT "A"

Western Utah Copper Company
Operator

WUCC-Palladon Copper
Mine Name

S/001/067
Permit Number

Beaver County, Utah

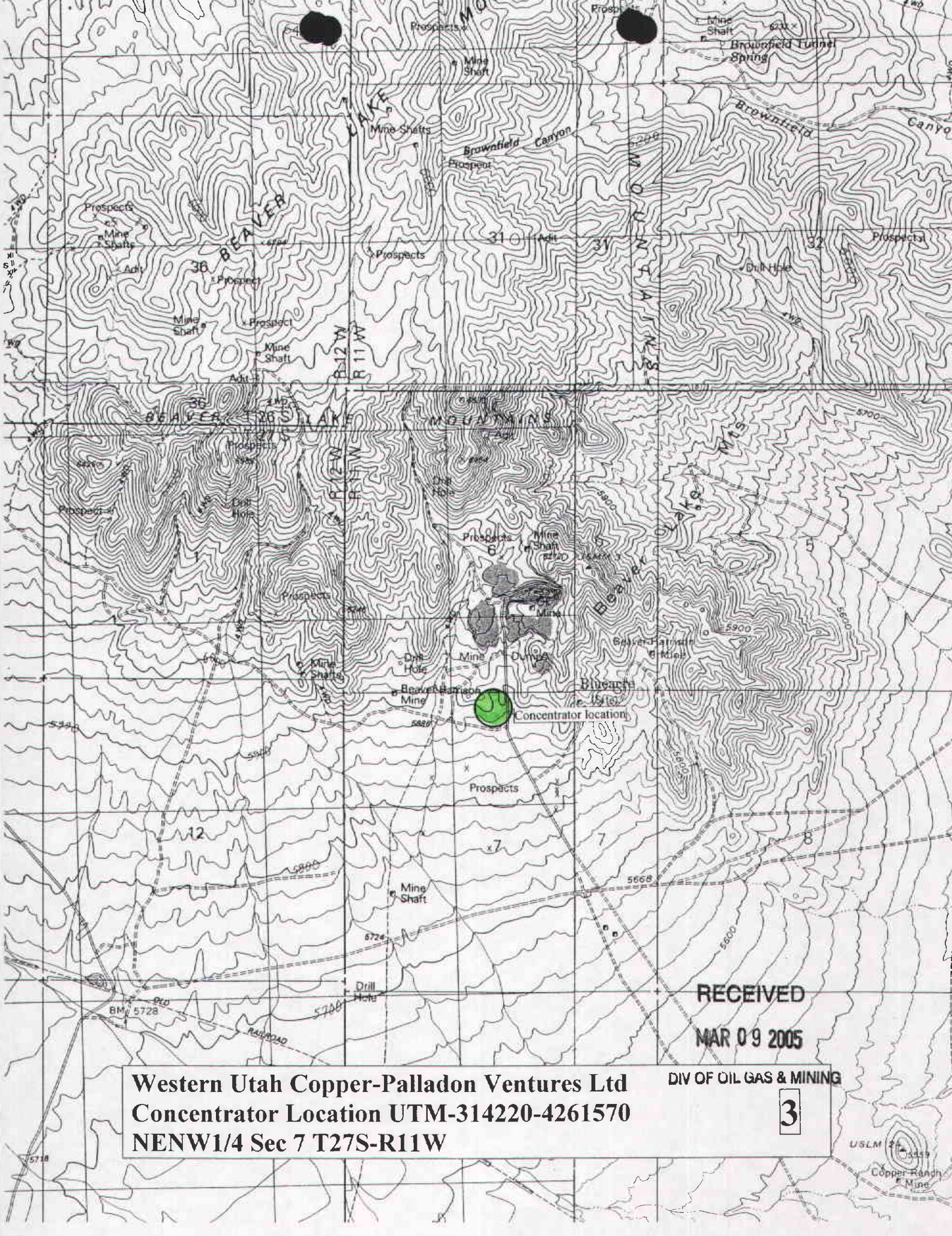
LEGAL DESCRIPTION

Include 1/4, 1/4, 1/4 sections, townships, ranges and any other descriptions that will legally determine where disturbed lands are located. Attach a topographic map of suitable scale (max. 1 inch = 500 feet; 1 inch = 200 feet or larger scale is preferred) showing township, range and sections and a clear outline of the disturbed area boundaries tied to this Reclamation Contract and surety.

The detailed legal description of lands to be disturbed includes portions of the following lands not to exceed 2 (two) acres under the approved / accepted permit and surety, as reflected on the attached map labeled Western Utah Copper-Palladon Ventures Ltd Concentrator Location UTM-314220-4261570 and dated March 9, 2005 :

Portions of:

NE1/4 of the NW1/4 of Section 7, Township 27 South, Range 11 West



Western Utah Copper-Palladon Ventures Ltd
Concentrator Location UTM-314220-4261570
NENW1/4 Sec 7 T27S-R11W

DIV OF OIL GAS & MINING

3

